

District I
1625 N. French Drive, Hobbs, NM 68240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

BEPKO - WID PRODUCTION

NOV 04 2003

RECEIVED

Form C-107A
Revised May 15, 2000

APPLICATION TYPE

☒ Single Well

Established Pre-Approved Pools

EXISTING WELLBORE

☐ Yes ☒ No

Bass Enterprises Production Co.

P. O. Box 2760 Midland TX 79702

Operator

Address

James Ranch Unit

80

B

Section 36 T22S R30E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 001801 Property Code 001786 API No. 30-015-32868 Lease Type ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Los Medanos Bone Spring <i>oil</i> ✓		<i>undesignated</i> Los Medanos S Wolfcamp <i>oil</i> ✓
Pool Code	40295		96336
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10900-910'		11096-111'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	44.2		44.2
Producing, Shut-in or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 10/07/2003 Rates: 44/7/126	Date: Rates:	Date: 10/07/2003 Rates: 76/11/215
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or part production, supporting data or explanation will be required.)	Oil Gas 37 % 37 %	Oil Gas % %	Oil Gas 63 % 63 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones?
If not, have all working royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingling zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: R-10558

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

Pre-Approved Pools

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tami Wilber TITLE Production Clerk DATE 10/16/2003

TYPE OR PRINT NAME Tami Wilber TELEPHONE NO. (432)683-2277

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Energy, Minerals and Natural Resources

Oil Conservation Division
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Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name LOS MEDANOS; WOLFCAMP, SOUTH	Pool Code 96336
Property Code 1786	Property Name JAMES RANCH UNIT	Well No. 080
OGRID No. 1801	Operator Name Bass Enterprises Production Co.	Elevation 3318

Surface And Bottom Hole Location

UL or Lot B	Section 36	Township 22S	Range 30E	Lot Idn	Feet From 330	N/S Line N	Feet From 1500	E/W Line E	County Eddy
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

			<input checked="" type="checkbox"/>

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Kent Adams

Title: Manager

Date: 5/2/2003

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Electronically Signed By: Gary Jones

Date of Survey: 6/6/2000

Certificate Number: 7977

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OGRID No. 1801	Operator Name Bass Enterprises Production Co.	Elevation 3318

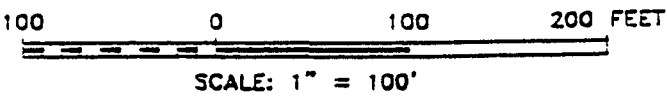
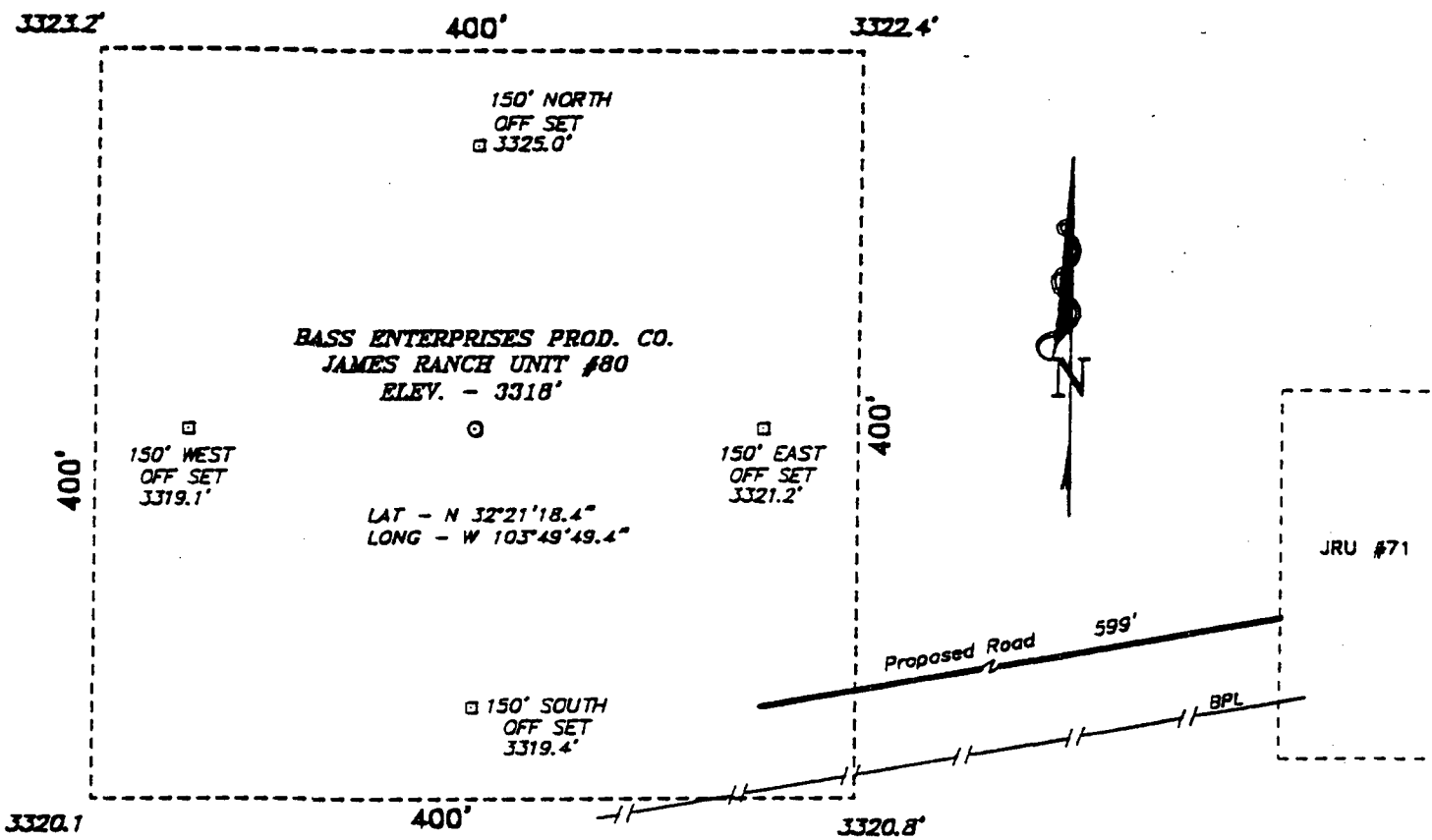
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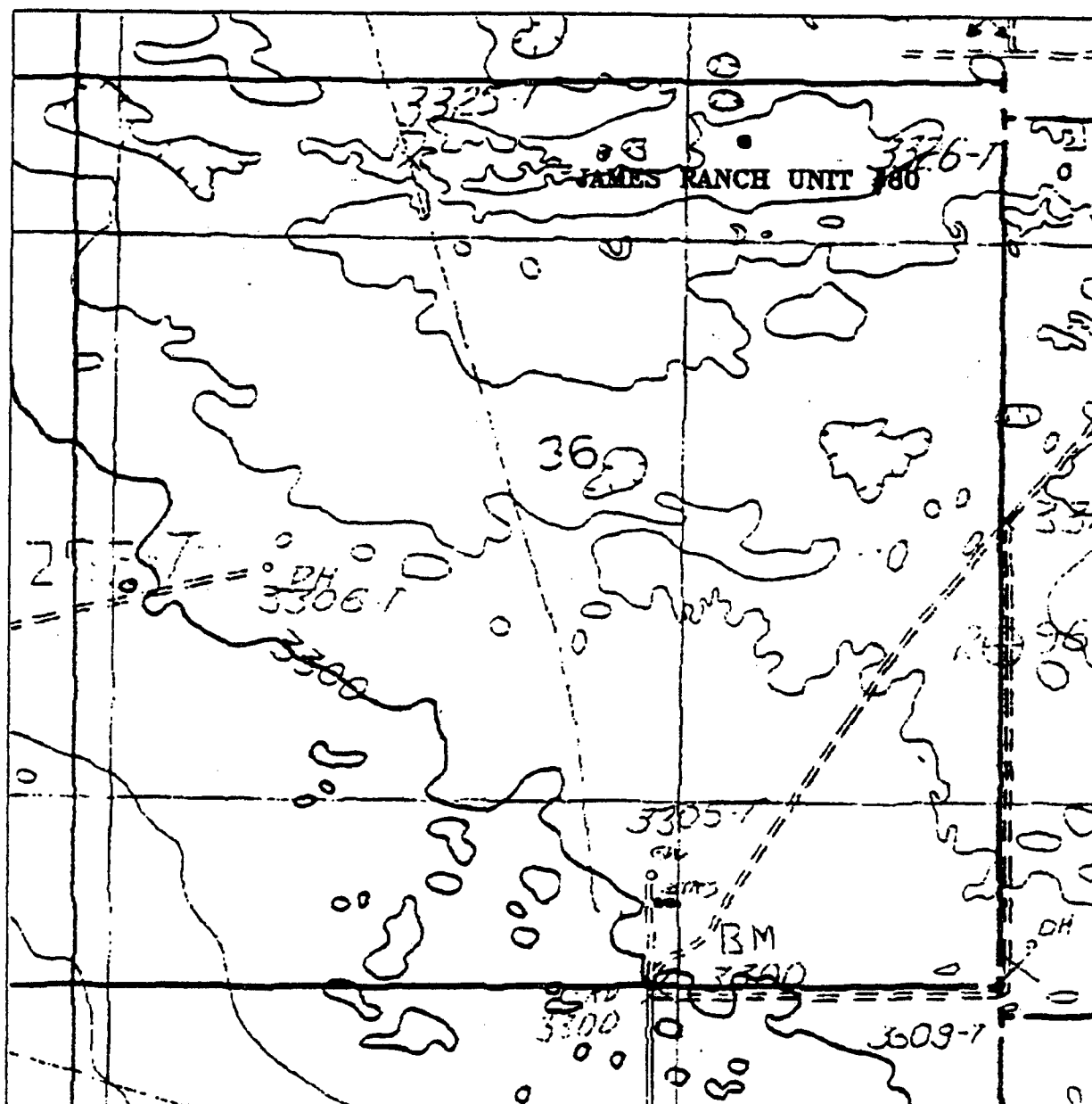
SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:
FROM THE JUNCTION OF STATE HWY 128 AND
COUNTY ROAD 802 (MPP ROAD), GO NORTH ON CO.
RD 802 APPROX. 2 MILES TO A POINT WHICH LIES
APPROX. 0.5 MILE EAST OF LOCATION.

BASS ENTERPRISES PROD. CO.	
REF: James Ranch Unit No. 80 / Well Pad Topo	
THE JAMES RANCH UNIT No. 80 LOCATED 330' FROM THE NORTH LINE AND 1500' FROM THE EAST LINE OF SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.	

SIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO			
Number: 0009	Drawn By: K. GOAD		
: 01-07-2000	Disk: KJG #122 - 0009A.DWG	Survey Date: 01-06-2000	Sheet 1 of 1 Sheets



JAMES RANCH UNIT #80

Located at 330' FNL and 1500' FEL
 Section 36, Township 22 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1786
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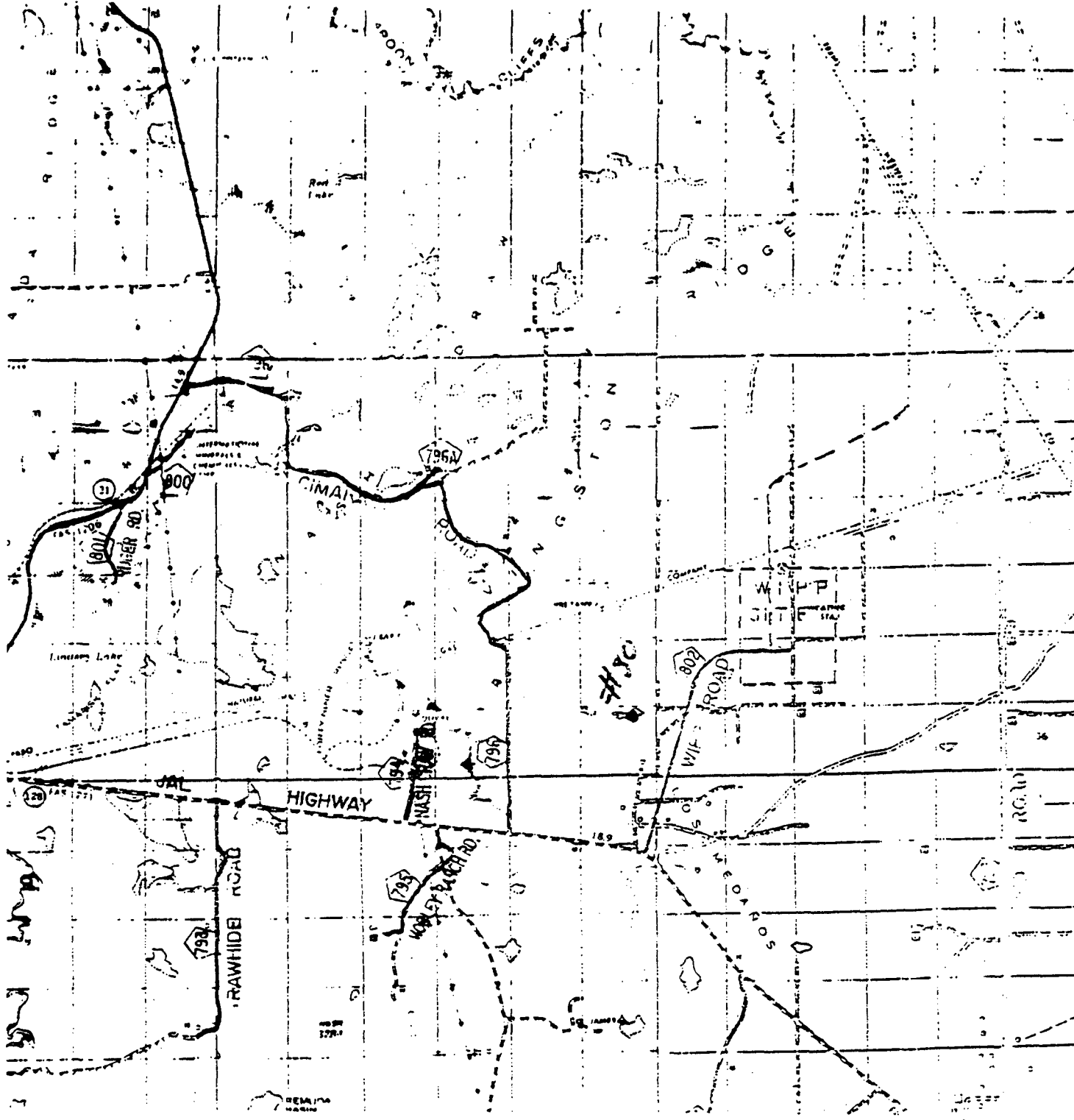
W.O. Number: 0009AA - KUG #122

Survey Date: 01-06-2000

Scale: 1" = 1000'

Date: 01-07-2000

Bass Enterprises
Production Co.



BASS ENTERPRISES PROD. CO.
JAMES RANCH UNIT #80
330' FNL & 1500' FEL
Sec. 36, T-22-S, R-30-E,
EDDY COUNTY, NEW MEXICO

SCALE: 1"=2 MILES

BASIN SURVEYS

P.O. BOX 1786 - HCBBS, NEW MEXICO

2000' 0 2000' 4000 Feet

W.O. Number: 0009	Drawn By: K. GOAD	Survey Date: 01-06-2000	Sheet 1 of 1 Sheets
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James Ranch Unit #80
Application for Downhole Commingling

Allocation formula is based on log calculated pay for each zone, as outlined in the following table:

	<u>Bone Spring</u>	<u>Wolfcamp</u>
Net Pay	14 ft	24 ft
Average Porosity	10%	10%
ΦH	1.4	2.4
Allocation	37%	63%

James Ranch Unit #80
Application for Downhole Commingling

Allocation based on percentage of porosity-feet in each zone.

1. In order to significantly reduce the cost of the completion, the Bone Spring and the Wolfcamp were fracture stimulated together with a limited entry design. The proppant was tagged with radioactive tracer and an after frac log was run. The after frac log showed that the two fractures grew together and production entering the wellbore would likely be commingled in the fracture. The cost savings attributed to the limited entry fracturing technique is vital especially when marginal Bone Spring and/or Wolfcamp is encountered.
2. If the zones were completed separately, after frac logs have indicated that sufficient fracture height develops that would allow the second frac to communicate with the initial frac thus rendering individual zone testing suspect.
3. The method of allocating based on the proportionate share of porosity-feet is believed to be the best method of allocation because it bases the ultimate recovery from each zone on the original volumes of hydrocarbons in place. Previous experience with the Bone Spring and Wolfcamp have established that the reservoir parameters and production characteristics for each zone are similar enough to allow this method to reflect each zone's true potential.

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Form C-102

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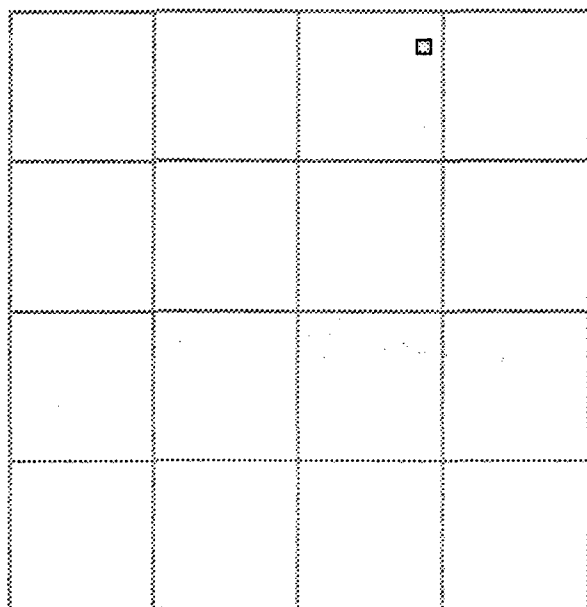
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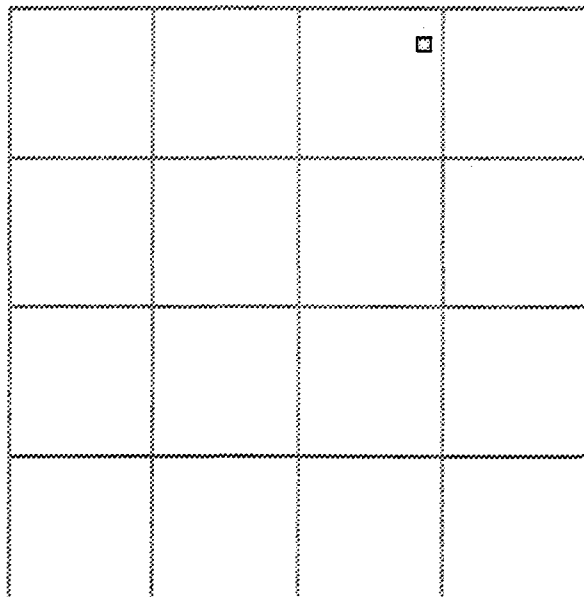
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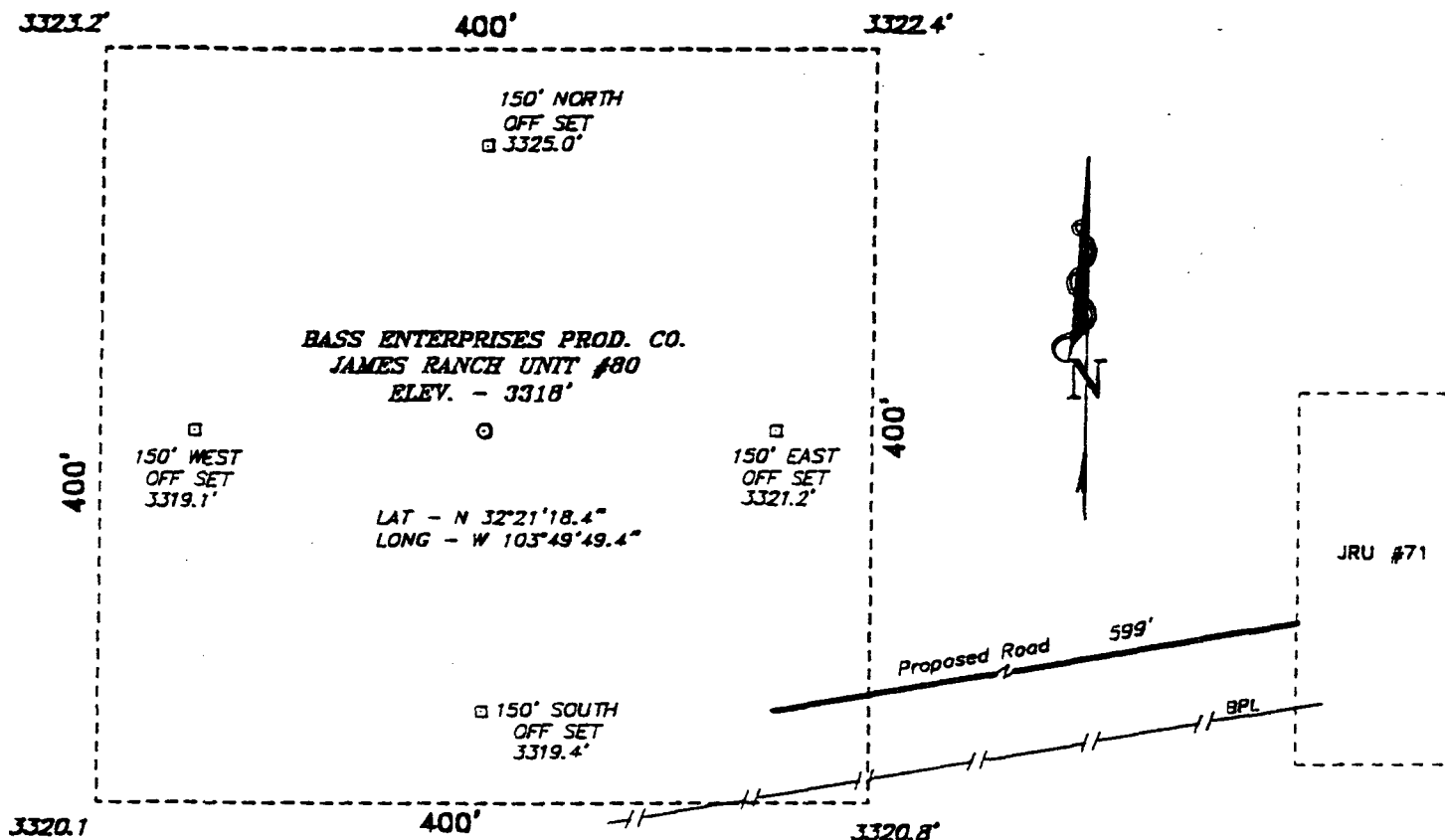
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Number: 0009

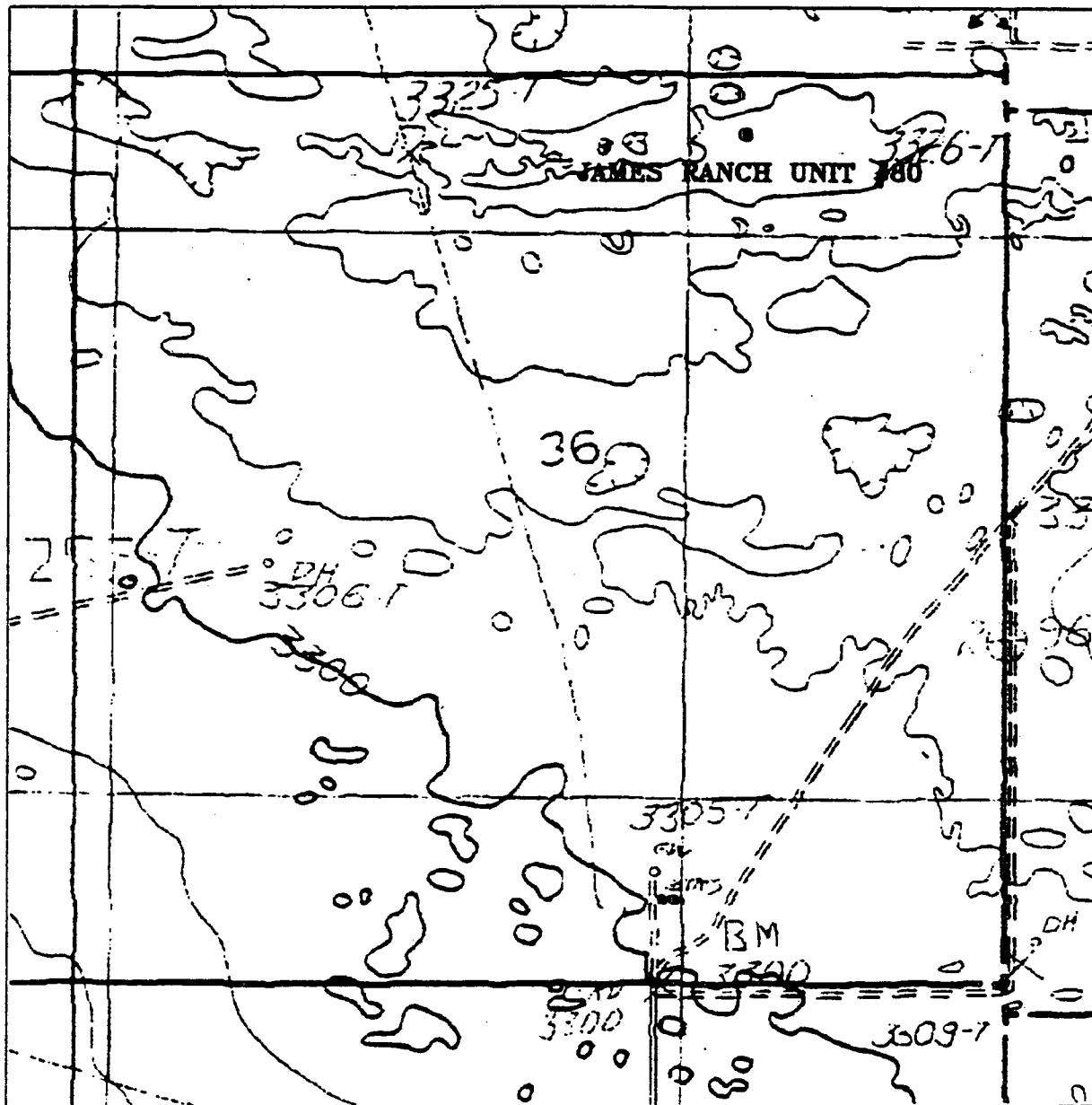
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Sheet 1 of 1 Sheets



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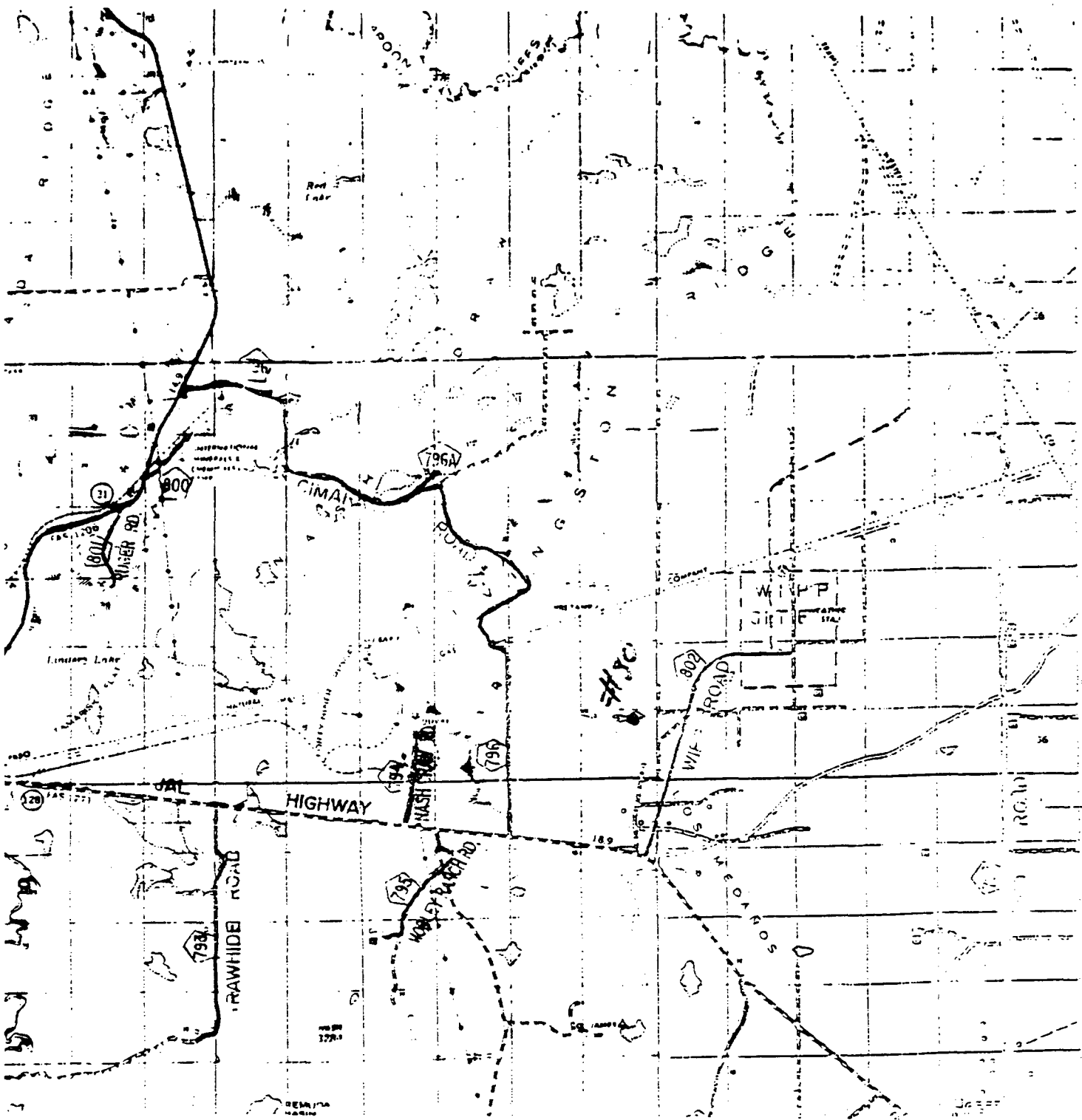
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Scale: 1" = 1000'

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Bass Enterprises
Production Co.



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 330' FNL & 1500' FEL
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SCALE: 1"=2 MILES

BASIN SURVEYS

P.O. BOX 1786-HCBBS, NEW MEXICO

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